## REMARKS

The Office Action in the above-identified application has been carefully considered and this amendment has been presented to place this application in condition for allowance.

Accordingly, reexamination and reconsideration of this application are respectfully requested.

Claims 1, 3, 5–13, and 15–24 are in the present application. It is submitted that these claims, are patentably distinct over the prior art cited by the Examiner, and that these claims are in full compliance with the requirements of 35 U.S.C. § 112. Changes to the claims, as presented herein, are not made for the purpose of patentability within the meaning of 35 U.S.C. sections 101, 102, 103 or 112. Rather, these changes are made simply for clarification and to round out the scope of protection to which Applicants are entitled. Claims 21-24 are added.

Claims 1–20 were rejected under 35 U.S.C. § 102(3) as being anticipated by Kobayashi et al. (U.S. Patent 6,466,625). Note Kobayashi has a common inventor with the present application. However, Kobayashi fails to anticipate the present invention for at least the following reasons.

In the present invention, "the motion compensation remaining difference being computed as a difference between a V-filtered and motion compensated block of the input video data and an original corresponding block of the input video data." (Claims 1, 13, 19, and 20) The motion compensation remaining difference D8 is calculated by the V-filter 11 and motion compensation circuit 14, as shown in Figure 3. The V-filter 11 performs a phase compensation operation on the interlaced video data. (Specification page 8) The Examiner contends the motion compensation remaining difference is met by Kobayashi's MV detection circuit 25 in Figure 5.

(Office Action page 5) However, Kobayashi's "motion vector detection circuit 25 outputs a motion vector" (Column 7, lines 59-60), rather than the difference between a V-filtered and motion compensated block of video data and an original block as recited in the present claims.

Moreover, the present invention "adaptively correct[s] the image quality of said decoded video data using a transfer function on the basis of the degree of coding difficulty." (Claims 1, 13, 19, and 20) In this manner, the adaptive image quality correction circuit 50 adaptively corrects the image quality of the decoded data to match with the adaptive filtering used in the encoding process. (Figure 1, Specification pages 23-24) The Examiner contends this limitation is met by Kobayashi's picture quality correction circuit 15 shown in Figure 4. (Office Action page 3) Applicants agree that the present adaptive image quality correction circuit 50 should be compared with Kobayashi's picture quality correction circuit 15. For support, the Examiner references Column 31, lines 42-48 of Kobayashi which discusses a transfer function; however, this text is in reference to the noise reducing circuit 14 which is more properly compared to the present invention's noise reduction circuit 49 of Figure 1. Kobayashi discusses the processing performed by the picture quality correction circuit 15 on Columns 34 and 35 in reference to Figures 38 and 39. Specifically, Kobayashi discloses the picture quality correction circuit 15 can perform adaptive contour enhancement processing using weighting coefficients "on the basis of the value of the quantization step." (Column 35, lines 1-15) Thus, Kobayashi fails to disclose "adaptively correcting using a transfer function on the basis of the degree of coding difficulty" as required in the present claims.

Accordingly, for at least these reasons, Kobayashi fails to anticipate the present invention and the rejected claims should now be allowed.

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New claims 21-24 are added to clarify that one distinguishing feature of the present

invention is the use of at least two degrees of coding difficulty (the degree of field coding

difficulty data D25 and the field-delayed degree of block coding difficulty data D28) in

performing the adaptive pre-filtering operation. These new claims are phrased to more closely

match the structure of the invention as shown in Figures 1, 2, 3, and 5.

In view of the foregoing amendment and remarks, it is respectfully submitted that the

application as now presented is in condition for allowance. Early and favorable reconsideration

of the application are respectfully requested.

Fees for independent claims in excess of three and claims in excess of twenty are deemed

to be required for the filing of this amendment. No additional fees are anticipated, but if such are

required, the Examiner is hereby authorized to charge any insufficient fees or credit any

overpayment associated with the above-identified application to Deposit Account No. 50-0320.

If any issues remain, or if the Examiner has any further suggestions, he/she is invited to

call the undersigned at the telephone number provided below. The Examiner's consideration of

this matter is gratefully acknowledged.

Respectfully submitted,

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